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Your

OLD AGE SECURITY PENSION

The Old Age Security (OAS) pension is a monthly benefit payable to all persons aged 65 or over who meet certain residence requirements.



Eligibility

Application must be made to receive an Old Age Security pension.

Entitlement

- is based on age and periods of residence in Canada
- is independent of employment history, marital status or income.

An applicant:

- must be a Canadian citizen, or
- must be a legal resident in Canada when the application is approved, or
- if applying from abroad, must have been a Canadian citizen or legal resident of Canada immediately prior to departure from Canada.



Pension amount

Either a full or partial pension may be payable. Old Age Security benefits are payable monthly and indexed quarterly to fully reflect increases in the cost of living.

Full pension

A full pension is payable after age 65 to:

- persons who have resided in Canada for a total of 40 years after age 18
- persons who were age 25 or over on July 1, 1977, and who resided in or had a visa to enter Canada which was valid on that date or who had resided legally in Canada prior to that date and after reaching age 18, and who have resided in Canada for the 10 years immediately before approval of the application.
- persons with absences in the 10-year period mentioned above, provided that they have periods of prior presence in Canada after age 18 equal to three times their absences in the 10-year period and, in addition, who were resident in Canada for at least the year immediately prior to approval of their application.

Partial pension

A partial pension is:

- payable after age 65 to persons who cannot qualify for a full pension but who have resided in Canada for a minimum of 10 years at any time after age 18, or for a minimum of 20 years after age 18 if they are applying from abroad
- equal to 1/40th of the full pension for each year of residence in Canada after reaching age 18.



Pension payment

- The pension is payable the month following the month in which all eligibility requirements are met.
- Retroactive payments can be made.
- The pension is a taxable income.



Payment outside Canada

- The pension will be paid outside Canada for the month of departure and the following six months only if the beneficiary has less than 20 years of residence in Canada after age 18.
- After that period, payments will be suspended but will be reinstated if the beneficiary resumes residence in Canada and notifies an Income Security Programs office.
- The pension will be paid indefinitely outside Canada if the beneficiary has resided in Canada for 20 years or more after reaching age 18.
- The pension is paid in Canadian dollars wherever it is received.



Benefits cease

- with the payment for the month of death of the beneficiary.



International social security agreements

- Persons who do not meet the residence requirements for a pension or for indefinite payment outside Canada may qualify under Canada's agreements on social security. Such agreements enable persons who have lived in or contributed

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to the social security scheme of another country to add those periods to Canadian residence in order to become eligible for benefits. The amount of the Old Age Security pension, however, is based only on years of residence in Canada. Canadian residents or citizens who have made contributions to another country's social security system may also qualify for benefits under that country's programs.



Applying for benefits

- Application must be made to receive the Old Age Security pension, but should not be submitted earlier than twelve months in advance of eligibility.



Other benefits

Guaranteed Income Supplement

The Guaranteed Income Supplement is an income-tested monthly benefit payable upon application to Old Age Security pensioners who have a limited income apart from the Old Age Security pension.

Spouse's Allowance/Widowed Spouse's Allowance

The 60- to 64-year-old spouse of an Old Age Security pensioner may be eligible upon application for Spouse's Allowance benefits depending on the combined income of the couple and the spouse's residence in Canada. Benefits are also available to low-income widowed persons 60 to 64 years of age who meet the residence requirements.

Canada Pension Plan

The Canada Pension Plan provides for the payment of retirement, survivor and disability benefits upon application to persons who meet contributory and other requirements. The amount of the benefit is based on the contributor's earnings and contributions to the Plan.



Additional information

Additional information in both official languages on the Old Age Security pension, Guaranteed Income Supplement, Spouse's Allowance, the Family Allowances program and Canada Pension Plan benefits can be obtained from an Income Security Programs office. The telephone number and address are in the federal government listing of all telephone directories under "Human Resources Development Canada, Income Security Programs."

Changes to Old Age Security

Bill C-54, which changes *Old Age Security*, *Canada Pension Plan* and *Children's Special Allowances* legislation, received Royal Assent on July 13, 1995.

Most of the changes are housekeeping items that allow the government to provide better client service. There are a few changes which allow clients to make important decisions about their OAS and CPP benefits.

Here is a listing of some of the changes that might influence client decisions.

Old Age Security

1. In order to bring OAS benefits in line with other federal government benefits, clients who apply for the OAS pension will be allowed to receive one year of retroactive benefits.

Clients who apply before November 1, 1995 may still be eligible for up to five years of retroactive benefits as was the case before Bill C-54 came into force.

2. OAS clients will also be able to request that their OAS benefits be cancelled. They can have them re-instated at a later date. However, no retroactive payments will be permitted.